CFO Compliance

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Overview

- CFO Act
- General Property, Plant, and Equipment
- Air Force Equipment Management System

CFO Act

- Chief Financial Officer's (CFO) Act of 1990, Public Law 101-576
  - "General management of Federal Government needs to be significantly enhanced"
  - Calls for improvement of financial data in accounting systems to include internal controls to assure reliable financial data
  - OMB tasked to execute program

CFO Act (continued)

- DoD reaction
  - Modified instructions and manuals to outline what CFO means to DoD
  - Federal financial accounting standards were changed to accommodate CFO requirements
  - DoD policy filtered down to Air Force

General PP&E

- DoD defines general PP&E as assets used by an entity to support the mission
- Two categories; real property and personal property
- Real property - land and real estate (ACES)
- Personal Property - equipment and vehicles (AFEMS)

General PP&E (continued)

- DoD requires all general PP&E systems to be CFO compliant (I.e. internal controls, calculate depreciation, report financial data, etc.) by FY03
- ACES and AFEMS well on their way to becoming CFO compliant
- Personal property (equipment and vehicles) is more difficult to manage

Air Force Equipment Management System (AFEMS)

- Accountable equipment, worldwide visibility of in-use and warehouse assets
- All equipment and vehicles over $100K are serial number controlled and depreciated
- Assets over $100K require special attention by property custodians
- $100K asset financial data must be input to AFEMS DCFI screen; four “must fill” fields

Air Force Equipment Management System (AFEMS)

- Serial number - from asset identaplate; if none, contact Supply EME
- Acquisition cost - not standard cost, original invoice; if not known, contact EME
- In-Service date - date asset came into AF inventory; if not known, contact EME
- Fund designator - identifies asset as working capital or general fund; if unsure, contact Finance

Air Force Equipment Management System (AFEMS)

- AFEMS is web enabled; easily accessible
- Incorporating bar code technology in FY01 to make system more seamless
- Other modernization efforts will make AFEMS financial and accountability functions almost transparent to the user
- AFEMS will modernize out of existence in FY05; become component of ILS-S (modernized supply system)